GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:6
ANSWERED ON:19.11.2001
PROCUREMENT OF WHEAT
VIJAY KUMAR KHANDELWAL

Will the Minister of AGRICULTURE be pleased to state:

(a) the target fixed for the procurement of wheat during the current season along with the success achieved in this regard and the financial incentives proposed to be given to different States to achieve the target, State-wise;

(b) the details of the action taken by the Government to achieve the target fully;

(c) the details of the representations received from the State Governments and the farmers unions regarding fixing the remunerative price of wheat; and

(d) the action taken by the Government so far thereon?

Answer

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFFERED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.6 DUE FOR REPLY ON 19TH NOVEMBER, 2001.

(a)&(b): As the procurement operations are voluntary in nature and the farmers have the choice to sell their produce to State Government, Food Corporation of India or in the Open Market, as is advantageous to them, no targets are fixed for procurement of wheat. However, based on the estimated production and availability of wheat, procurement estimates are given by the State Governments prior to the commencement of each marketing season. The estimated procurement of wheat during the current rabi marketing season 2001-02 was 192 lakh metric tonnes (MTs). As on 12.11.2001, a quantity of 206.30 lakh MTs of wheat has already been procured. No financial incentives have been proposed to be given to the different States to achieve the target.

(c)&(d): The Commission for Agricultural Costs & Prices (CACP) has developed a practice of consultation with the State Governments and various other public institutions and concerned interests. CACP visits different States for eliciting the views of the State Governments and various other interests including farmers, trade and industry and also invites the representatives of various organizations and State Governments for detailed discussions with the Commission in New Delhi.

While taking a decision on fixing the minimum support prices (MSPs), the Government obtains the views of the State Governments and considers them along with other relevant factors in determining the MSPs. Usually, the State Governments suggest higher MSP for various agricultural commodities and the MSPs suggested by various State Governments for wheat of 2000-01 crop to be marketed in 2001-02 ranged between Rs.610 to 1244 per quintal. It is not possible to always agree with all the State Governments because a comprehensive view involving several other important factors has to be taken in fixing the MSPs.